



# **MINUTES**

## **Special Council Meeting Wednesday, 18 September 2024**

**Date:** Wednesday, 18 September 2024

**Time:** 6.00pm

**Location:** Council Chambers, 15 Stead Street, Ballan &  
Online

**Order Of Business**

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**1 OPENING OF MEETING AND PRAYER**

Almighty God be with us as we work for the people of the Shire of Moorabool. Grant us wisdom that we may care for the Shire as true stewards of your creation. May we be aware of the great responsibilities placed upon us. Help us to be just in all our dealings and may our work prosper for the good of all. Amen.

**2 ACKNOWLEDGEMENT OF COUNTRY**

I acknowledge the Traditional Owners of the land on which we are meeting. I pay my respects to their Elders, past and present, and the Aboriginal Elders of other communities who may be here today.

**3 PRESENT**

Cr Ally Munari, Mayor	Woodlands Ward
Cr Moira Berry	East Moorabool Ward
Cr Tonia Dudzik	East Moorabool Ward
Cr David Edwards	East Moorabool Ward
Cr Tom Sullivan	West Moorabool Ward
Cr Rod Ward	East Moorabool Ward

**Officers**

Mr Derek Madden	Chief Executive Officer
Mr Phil Jeffrey	General Manager Community Assets & Infrastructure
Mr David Jackson	General Manager Customer & Corporate Services
Ms Leigh McCallum	General Manager Community Strengthening
Ms Dianne Elshaug	Co-ordinator CEOs Office

**4 APOLOGIES**

Cr Paul Tatchell	Central Moorabool Ward
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**5 DISCLOSURE OF CONFLICTS OF INTEREST**

Nil

**6 PRESENTATIONS/DEPUTATIONS**

Nil

## 7 CHIEF EXECUTIVE OFFICER REPORTS

### 7.1 2023/24 GOVERNANCE & MANAGEMENT CHECKLIST

**Author:** Celeste Gregory, Executive Manager - Democratic Support & Corporate Governance

**Authoriser:** Derek Madden, Chief Executive Officer

**Attachments:** 1. 2023-24 Governance and Management Checklist (under separate cover)

#### PURPOSE

The purpose of this report is to present the 2023/24 Governance and Management Checklist (Checklist) for Council adoption.

#### EXECUTIVE SUMMARY

The Governance and Management Checklist is a component of the Local Government Performance Reporting Framework (LGPRF) and is a requirement of Section 98(3)(c) of the *Local Government Act 2020* (the Act) and Regulation 9 of the Local Government (Planning and Reporting) Regulations 2020.

#### RESOLUTION

**Moved:** Cr Rod Ward

**Seconded:** Cr Moira Berry

**That Council adopts the 2023/24 Governance and Management Checklist and approves its inclusion in the 2023/24 Annual Report and submission to Local Government Victoria for publication on the “Know Your Council” website.**

**CARRIED**

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#### BACKGROUND

Section 98(3)(d) of the Act provides that Council must contain in its report of operations the results, in the prescribed form, of the Council’s assessment against the prescribed governance and management checklist and indicators. The checklist is then certified by the Mayor and Chief Executive Officer.

#### PROPOSAL

The Governance and Management Checklist contains 26 items relating to Council plans, policies, strategies, frameworks and reporting. This checklist is reviewed by the Chief Executive Officer and presented to both the Audit and Risk Committee and Council for adoption prior to its incorporation into Council’s 2023/24 Annual Report, submission to Local Government Victoria and published on the ‘Know your Council’ website.

Overall, from the 26 listed items on the Checklist, 26 items are established and in operation.

## **COUNCIL PLAN**

The Council Plan 2021-2025 provides as follows:

**Strategic Objective 3: A Council that listens and adapts to the needs of our evolving communities**

**Priority 3.4: Measure performance, communicate our results and continue to improve our services every day**

The proposal 2023/24 Governance & Management Checklist is consistent with the Council Plan 2021-2025.

## **FINANCIAL IMPLICATIONS**

There are no financial implications relating to the 2023/24 Governance and Management Checklist.

## **RISK & OCCUPATIONAL HEALTH & SAFETY ISSUES**

There are no Risk or Occupational Health and Safety issues in relation to this report.

## **COMMUNICATIONS & CONSULTATION STRATEGY**

The Governance and Management Checklist will be published in Council's Annual Report and available for review on the Local Government Victoria "Know Your Council" website.

## **VICTORIAN CHARTER OF HUMAN RIGHTS & RESPONSIBILITIES ACT 2006**

In developing this report to Council, the officer considered whether the subject matter raised any human rights issues. In particular, whether the scope of any human right established by the Victorian Charter of Human Rights and Responsibilities is in any way limited, restricted or interfered with by the recommendations contained in the report. It is considered that the subject matter does not raise any human rights issues.

## **OFFICER'S DECLARATION OF CONFLICT OF INTERESTS**

Under section 130 of the *Local Government Act 2020*, officers providing advice to Council must disclose any interests, including the type of interest.

*Chief Executive Officer – Derek Madden*

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

*Author – Celeste Gregory*

In providing this advice to Council as the Author, I have no interests to disclose in this report.

## **CONCLUSION**

The Governance and Management Checklist has been prepared and certified by the Mayor and Chief Executive Officer in accordance with *Local Government Act 2020*.

Council's Audit and Risk Committee has reviewed the Checklist and recommends that Council adopts the Governance and Management Checklist, prior to its submission to the 2023/24 Annual Report and submission to Local Government Victoria for publication on the "Know Your Council" website.

## 7.2 ADOPTION "IN PRINCIPLE" OF THE 2023/24 PERFORMANCE STATEMENT FOR SUBMISSION TO THE VICTORIAN AUDITOR-GENERAL FOR CERTIFICATION

**Author:** Celeste Gregory, Executive Manager - Democratic Support & Corporate Governance

**Authoriser:** Derek Madden, Chief Executive Officer

**Attachments:** 1. 2023/2024 Performance Statement (under separate cover)

### PURPOSE

The purpose of this report is to present to Council the 2023/24 Performance Statement for “in principle” adoption and submission to the Auditor-General for certification.

### EXECUTIVE SUMMARY

The 2023/24 Performance Statement has been prepared to meet the requirements of the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020.

### RESOLUTION

**Moved:** Cr Tonia Dudzik

**Seconded:** Cr David Edwards

**That Council, in accordance with section 99 of the *Local Government Act 2020*:**

1. **Adopts “in principle” the 2023/24 Performance Statement and submits the Performance Statement, subject to no material change, to the Victorian Auditor General for certification; and**
2. **Authorises Council’s Audit and Risk Committee representatives, Councillor Dudzik and Councillor Berry, to certify the 2023/24 Performance Statement in its final form, after any changes recommended, or agreed to by the Auditor, have been made.**

**CARRIED**

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### BACKGROUND

Since 2014 Councils have been required to report on their performance through their Annual Report to their community.

Pursuant to Section 98 (4) of the *Local Government Act 2020*, the Performance Statement in the Annual Report must contain the following:

- (a) the prescribed indicators of service performance for the services provided by the Council and funded in the budget for the financial year, the prescribed measures relating to those indicators and the results achieved in relation to those performance indicators and measures;
- (b) the prescribed indicators of financial performance, the prescribed measures relating to those indicators and the results achieved in relation to those performance indicators and measures;

- (c) the prescribed indicators of sustainable capacity performance, the prescribed measures relating to those indicators and the results achieved in relation to those performance indicators and measures; and
- (d) any other information prescribed by the regulations.

## PROPOSAL

In accordance with Council's governance practices the Performance Statement, as attached to this report, was presented to Council's Audit and Risk Committee on Wednesday 11 September 2024 for review and recommendation to Council for "in principle" adoption and authorisation by two Audit and Risk Committee Councillor members and the Chief Executive Officer to sign the audited statements.

The Performance Statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results for the 2023/24 financial year.

Overall there are 28 performance indicators that have been mandated for an independent audit. Of these indicators seven (7) relate to sustainable capacity, ten (10) relate to service performance and eleven (11) relate to financial performance.

The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the Performance Statement. The performance indicator results for 2023/24 will be compared to the results for the previous three financial years.

The forecast figures included in the Performance Statement are those adopted by Council in its Strategic Resource Plan at an Ordinary Meeting of Council on 17 May 2023 and which forms part of the 2023/24 Annual Budget and the Council Plan 2021 – 2025. The Strategic Resource Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term.

## COUNCIL PLAN

The Council Plan 2021-2025 provides as follows:

**Strategic Objective 3: A Council that listens and adapts to the needs of our evolving communities**

**Priority 3.4: Measure performance, communicate our results and continue to improve our services every day**

The proposal Adoption "In Principle" of the 2023/24 Performance Statement for Submission to the Victorian Auditor-General for Certification is consistent with the Council Plan 2021-2025.

## FINANCIAL IMPLICATIONS

There are no financial implications from this report. The preparation and presentation of the 2023/24 Performance Statement has been performed within the allocated budget.

**RISK & OCCUPATIONAL HEALTH & SAFETY ISSUES**

Risk Identifier	Detail of Risk	Risk Rating	Control/s
Inadequate performance by Council	Inability to meet attainable levels of performance	Medium	Systems, processes and measures to provide comprehensive performance information that meets the needs of a number of audiences

**COMMUNICATIONS & CONSULTATION STRATEGY**

The Performance Statement will be presented to the Victorian Auditor General's Office for review and certification. The Performance Statement will form part of Council's Annual Report to be adopted no later than one day before the election. The Annual Report will be made publicly available on Council's website and at all office locations early October 2024.

**VICTORIAN CHARTER OF HUMAN RIGHTS & RESPONSIBILITIES ACT 2006**

In developing this report to Council, the officer considered whether the subject matter raised any human rights issues. In particular, whether the scope of any human right established by the Victorian Charter of Human Rights and Responsibilities is in any way limited, restricted or interfered with by the recommendations contained in the report. It is considered that the subject matter does not raise any human rights issues.

**OFFICER'S DECLARATION OF CONFLICT OF INTERESTS**

Under section 130 of the *Local Government Act 2020*, officers providing advice to Council must disclose any interests, including the type of interest.

*Chief Executive Officer – Derek Madden*

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

*Author – Celeste Gregory*

In providing this advice to Council as the Author, I have no interests to disclose in this report.

**CONCLUSION**

The 2022/23 Performance Statement has been prepared to meet the requirements of the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020 for adoption "in principle" by Council for submission to the Auditor-General for certification.

At the time of preparing this report, Council's Performance Statement was included on the Agenda for consultation at the Audit and Risk Committee Meeting on Wednesday 11 September 2024, with a recommendation that the Audit and Risk Committee recommend that Council adopts the statement "in principle".

Following a resolution, the Performance Statement will then be submitted to the Auditor General for certification. Council is also required to authorise two Councillors to sign the Performance Statement on behalf of Council, as required under the *Local Government Act 2020*.

It is practice for the Councillor members of the Audit and Risk Committee to sign the certified statements on behalf of Council.



## 8 CUSTOMER AND CORPORATE SERVICES REPORTS

### 8.1 ADOPTION "IN PRINCIPLE" OF THE 2023/24 FINANCIAL STATEMENTS FOR SUBMISISON TO THE VICTORIAN AUDITOR-GENERAL FOR CERTIFICATION

**Author:** James Hogan, Coordinator Financial Services

**Authoriser:** David Jackson, General Manager Customer & Corporate Services

**Attachments:** 1. 2023/24 Financial Statements (under separate cover)

#### PURPOSE

To present the 2023/24 Financial Statements to Council for adoption "in principle" and authorise two Councillors, being the Councillor members of the Audit and Risk Advisory Committee, to sign the audited statements, before being submitted to the Auditor-General for certification.

#### EXECUTIVE SUMMARY

The following report presents the 2023/24 Financial Statements for adoption "in principle" by Council for submission to the Auditor-General for certification.

#### RESOLUTION

**Moved:** Cr Tom Sullivan

**Seconded:** Cr David Edwards

**That Council, in accordance with section 99 of the *Local Government Act 2020*:**

- 1. Adopts in principle and submits the 2023/24 Financial Statements to the Auditor-General for certification; and**
- 2. Authorises the Council's Audit and Risk Advisory Committee Representatives, Cr Dudzik and Cr Berry to certify the 2023/24 Financial Statements in their final form, after any changes recommended, or agreed to by the Auditor, have been made.**

**CARRIED**

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#### BACKGROUND

The Local Government Act 2020 requires that Council complete the following at the end of each financial year with respect to producing an Annual Report.

##### **S. 98 Annual report**

- (1) A Council must prepare an annual report in respect of each financial year.
- (2) An annual report must contain the following:
  - (a) a report of operations of the Council;
  - (b) an audited performance statement;
  - (c) audited financial statements;
  - (d) a copy of the auditor's report on the performance statement;

- (e) a copy of the auditor's report on the financial statements under Part 3 of the Audit Act 1994;
  - (f) any other matter required by the regulations.
- (5) The financial statements must:
- (a) include any other information prescribed by the regulations; and
  - (b) be prepared in accordance with the regulations.

#### **S. 99 Preparation of annual report**

- (1) As soon as practicable after the end of the financial year, a Council must cause to be prepared in accordance with section 98, the performance statement and financial statements of the Council for the financial year.
- (2) The Council, after passing a resolution giving its approval in principle to the performance statement and financial statements, must submit the statements to the auditor for reporting on the audit.
- (3) The Council must ensure that the performance statement and financial statements, in their final form after any changes recommended or agreed by the auditor have been made, are certified in accordance with the regulations by:
  - (a) two Councillors authorised by the Council for the purposes of this subsection; and
  - (b) any other persons prescribed by the regulations for the purposes of this subsection.
- (4) The auditor must prepare a report on the performance statement.

Note: The auditor is required under Part 3 of the Audit Act 1994 to prepare a report on the financial statements.

- (5) The auditor must not sign a report under subsection (4) or under Part 3 of the Audit Act 1994 unless the performance statement or the financial statements (as applicable) have been certified under subsection (3).
- (6) The auditor must provide the Minister and the Council with a copy of the report on the performance statement as soon as is reasonably practicable.

Note: The auditor is required under Part 3 of the Audit Act 1994 to report on the financial statements to the Council within 4 weeks and to give a copy of the report to the Minister.

#### **PROPOSAL**

The 2023/24 Financial Statements have been prepared in accordance with the requirements of the Local Government Act, Local Government (Planning and Reporting) Regulations 2014 and Australian Accounting Standards.

In accordance with Council's Governance protocols, the reports will be presented to Council's Audit and Risk Advisory Committee for review and recommendation to Council for adoption "in principle" and authorisation of two Councillors, being the Councillor members of the Audit and Risk Advisory Committee, to sign the audited statements.

In summary, the statements indicate the following results for 2023/24:

1. Financial Statements: reflect the comparative performance to the previous financial year.
  - Comprehensive Income Statement – The result reflects a total comprehensive gain of \$60.960 million. Included within this result are the following significant items:

- i. \$2.515 million increase in 'Rates and charges' mainly due to significant growth in rating assessments during the 2023/24 financial year.
  - ii. \$10.870 million decrease in 'Grants - Operating' due to the early payment of 2023-24 Financial Assistance Grants in 2022-23.
  - iii. \$6.844 million decrease in 'Contributions – Non-Monetary', Council received significantly less in Developer Contributions this financial year due to delays in milestones being met for some developments. Council expects to receive these contributions in 2024-25.
  - iv. \$1.688 million increase in depreciation expenses resulting from a growth in Council's asset base.
- Balance Sheet – The movement in net assets reflects the total operating gain of \$60.960 million. Included within this result are the following significant items:
    - i. \$16.469 million decrease in Current Assets mainly attributed to lower overall levels of cash and term deposits as at 30 June 2024.
    - ii. \$74.877 million increase in 'Property, Infrastructure, Plant and Equipment' mainly due to the Capital Improvement Program, the impact of Asset Revaluations conducted in 2023/24, and Assets Gifted from Subdivision.
    - iii. A net \$5.382 million increase in 'Interest-Bearing Loans and Borrowings' which reflects new borrowings taken out in 2023/24.
  - Cash Flow Statement – The movement in cash held at the end of the year is a decrease of \$11.061 million. Included within this result are the following significant items:
    - i. Net cash flows from operating activities decreased by \$34.478 million from last year to \$9.033 million. This is mainly due to decreases in 'Grants – Operating', 'Grants – Capital' and 'Contributions-Monetary'.
    - ii. Net cash used in investing activities has decreased by \$14.094 million to \$24.664 million. This is due to the 2022/23 financial year delivering a record Capital Improvement Program.
    - iii. Net cash flows provided by financing activities has decreased overall by \$8.033 million to \$4.570 million mainly due to reduced borrowings.
  - Statement of Capital Works – Overall, capital expenditure for 2023/24 is \$17.038 million less than the previous year, made up of the following items:
    - i. Expenditure on 'Buildings' was \$19.446 million less than 2022/23, mainly due to works on the Ballan Depot and Bacchus Marsh Indoor Recreation Facility conducted in 2022/23.
    - ii. 'Plant and equipment' was \$1.468 million more than last year due to some significant items being deferred to 2023/24 from the previous year.
    - iii. Capital expenditure on 'Infrastructure' in 2023/24 was \$0.940 million more than 2022/23.

## COUNCIL PLAN

The Council Plan 2021-2025 provides as follows:

**Strategic Objective 3: A Council that listens and adapts to the needs of our evolving communities****Priority 3.4: Measure performance, communicate our results and continue to improve our services every day**

The 2023/24 Financial Statements are consistent with the Council Plan 2021-2025.

**FINANCIAL IMPLICATIONS**

The financial statements detail Council's financial performance and position for 2023/24. They demonstrate that over time Council has steadily improved its financial position but indicates that there are still numerous financial challenges that lay ahead which will require responsible fiscal stewardship.

**RISK & OCCUPATIONAL HEALTH & SAFETY ISSUES**

There are no Risk and Occupational Health & Safety Issues.

**COMMUNICATIONS & CONSULTATION STRATEGY**

The Annual Financial Statements and Performance Statements are reported to Council to adopt "in principle" for submission to the Auditor-General for certification. Audited Statements are then incorporated into Council's Annual Report.

**VICTORIAN CHARTER OF HUMAN RIGHTS & RESPONSIBILITIES ACT 2006**

In developing this report to Council, the officer considered whether the subject matter raised any human rights issues. In particular, whether the scope of any human right established by the Victorian Charter of Human Rights and Responsibilities is in any way limited, restricted or interfered with by the recommendations contained in the report. It is considered that the subject matter does not raise any human rights issues.

**OFFICER'S DECLARATION OF CONFLICT OF INTERESTS**

Under section 130 of the *Local Government Act 2020*, officers providing advice to Council must disclose any interests, including the type of interest.

*General Manager – David Jackson*

In providing this advice to Council as the General Manager, I have no interests to disclose in this report.

*Author – James Hogan*

In providing this advice to Council as the Author, I have no interests to disclose in this report.

**CONCLUSION**

The attached Financial Statements for 2023/24 have been prepared in accordance with the requirements of the Local Government Act. Council's Audit and Risk Advisory Committee have reviewed the statements and recommended that Council adopt the statements "in principle". The Statements will then be submitted to the Auditor-General for certification. Council is also required to authorise two Councillors to sign the statements on behalf of Council, as required under the Local Government Act.

It is practice for the Councillor members of the Audit and Risk Advisory Committee to sign the certified statements on behalf of Council.

**9 CLOSED SESSION OF THE MEETING TO THE PUBLIC****RESOLUTION****Moved: Cr David Edwards****Seconded: Cr Tom Sullivan****That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 66(2)(a) of the *Local Government Act 2020*:****9.1 Extension of Audit and Risk Advisory Committee Independent Member - Peter Smith**

This matter is considered to be confidential under Section 3(1) - h of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with confidential meeting information, being the records of meetings closed to the public under section 66(2)(a).

**CARRIED**

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**10 MEETING CLOSURE**

The Meeting closed at 6.03pm.

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**CHAIRPERSON**